

John Murray

Subject: FW: Budget Review

-----Original Message-----

From: John Murray

Sent: Monday, January 05, 2004 11:08 AM

To: All Department Heads

Subject: FW: Budget Review

I did not see that Peter's memo was sent out to the department heads; therefore I am forwarding it to you. I apologize if it has been sent out previously or you folks spoke to it at staff meeting.

I have assigned certain department head names to certain questions and they need to prepare a response. However, all department heads should review all questions as prep for Saturday morning.

Please prepare your responses in writing and send them to me for compiling into one document by Thursday at close of business.

Thanks.

-----Original Message-----

From: Peter Ashton

Sent: Friday, December 26, 2003 1:51 PM

To: Don Johnson; Board of Selectmen

Subject: Budget Review

Don:

I have completed my initial review of the budget presentation and notebook and attached you will find a memo outlining questions and requests. As I indicate in the memo, I do not require answers prior to the Saturday budget meeting - these questions are posed in advance simply so that staff can respond fully at that time.

For your information, I will be out of town from the 28th through the 2nd of January.

Thank you and Happy New Year.

Peter

I have placed the Manager's Office reponse first and then ordered the departmental responses.

The departmental responses are in the sequence as the departments are scheduled to meet with the Board on Sat.

1/9/2004

MEMORANDUM

December 26, 2003

TO: Don Johnson

FROM: Peter Ashton

SUBJ: Budget Requests and Questions

As usual I have a few requests and questions regarding the budget presentation presented to the Selectmen two weeks ago. The questions do not need to be answered in advance of our Saturday, January 10th budget meeting, however, I am posing them in advance so that staff will be prepared to answer them at that time. The requests that I am making are, I believe, consistent with either prior requests I typically make or relate to information that in the past has been in the budget book, but does not appear this year. If any of the requests are overly burdensome, please let me know, and I will try to scale them back!

Requests

Steve - In the past the budget book has contained a two-page spreadsheet "Departmental Projected Revenue Budget" with page one reflecting general revenues and the second page reflecting special (revolving, enterprise and other) revenue accounts. For reference purposes, these pages typically appeared at the end of tab 2 of the budget book. I would like to see these updated through Budget FY05 if possible.

Steve, Dave Brown, John and all other dept. heads with these types of funds - Along the same lines I would like to know 6/30/03 balances in all revolving, enterprise and gift accounts as well as anticipated increases/decreases in those funds for FY04, i.e., projected balances for 6/30/04. I know we use some monies from these accounts to help offset spending funded by taxation (as indicated in the budget book), but I am obviously interested in where these accounts are headed and to what extent we are depleting these accounts (or where more might be used). I am especially interested in projected NESWC accounts as we appear not to be funding anything out of taxation, yet we are hiring a consultant, plus self-funding \$420K in capital items.

John - In the past the budget book has always included a chart showing cumulative (and year to year) percent changes in spending vs. inflation vs. Prop 2 1/2 from FY89 forward. Can that also be updated?

Finally, I would hope that in the near future we will receive a recommendation from staff regarding fees for services and whether (aside from the dog license increases) there are other fees that we might hope to increase. I believe this is something that we are to discuss at the next ALG meeting so I would like to see the recommendation in advance if at all possible.

Questions

All dept heads - Manager's Message – p. 3: In order to put the \$23.4 million "Needs" budget into perspective, could you define the guidelines provided to staff in determining what "Needs" really means. For example, last year, you presented an estimate for the FY05 budget of \$22.1 million and now we are at \$23.4 million for FY05 – an increase of \$1.3 million. What explains the difference? Does this reflect any improvement in services, increases in demand, or inflation, or simply reflect the status quo, etc.?

Don -Manager's Message – Table 6: Given that the Selectmen have already decided to take out the funding of ARRT of \$82K, what is the Manager's recommendation regarding the reallocation of that money?

Steve -Tab 2 "State aid revenues" – I assume this excludes state revenue to the Regional School District. Since these revenues are included in our revenue sharing formula and since the region was hit harder by cuts, I would like to see this graph include Acton's share of state aid to the region.

John - Tab 4 I seem to be off about \$10K between the budget shown at Tab 4 of \$19,355.6 K (plus new programs of \$315K - total of \$19,670.6K) vs. our "target" number of \$19,681K. Can you explain the difference?

Departmental Budgets (including capital requests):

Jean - CoA – What does the sheet that says "CoA needs a \$10K subsidy" mean? (Is this the answer to the question directly above?)

Steve -Finance – Line 52211: has GASB 34 been fully implemented or at least is no further funding required?

Steve - Lines 57060 through 71 (health insurance) – although the Trustees have not yet set rates, I expect BC to go up about 75%, HPHC 25% and Medex 8%. BC is shown as going up 48%, and therefore I assume this is because we expect migration to HPHC, correct? How much migration are we assuming? Why is BC Retirees going up 161%? I do note that the weighted increase is about 51% across the board which seems about right (perhaps a little high). The initial presentation from Peter Savage last week indicated a total cost increase of about 45% vs. this year

Steve, Karen & Bob - Fire – Line 56080 – what is the “agency account” referred to as the source of payment for the Emerson ALS fee and how much is that fee for FY05 (\$45,250)?

✓ Doug and Bob - Fire/Health -With regard to the capital request for an oil/water separator/floor drain – isn’t this the same type of item as DEP required at the Highway Dept.? If different, please explain. It seems to me that there is a significant risk here and we ought to fund this item or institute a no washing policy. \$25,000 seems like a small price to pay to prevent the difficulties we faced with DEP over the Highway tight tank issue.

✓ Steve, Dave Brown, & John - Highway – re self-funding capital projects: Are these capital items contingent on a future government-run transfer station? For example, if we were to privatize that operation, why would we need a loader or a sweeper?

Don - HR – Line 51300 – when do we expect a new HR Director to come on line? Please describe the difficulties and degradation of service to the community caused by not having that position filled this year.

Mark - IT – Line 52040 – please provide a more detailed description of what we intend to acquire in this line item that necessitates a 67% increase over last year’s budgeted amount. Are any Munis-related costs included here? Also with regard to IT’s capital request for additional manpower, could any of this be funded via special revenue, e.g., cable fund revenue? Are any IT personnel positions currently funded in this manner? Weren’t some in the past?

✓ Dean - Municipal Properties – I assume none of the cost saving measures proposed by OLAC are included in the budget since the OLAC capital items are not being funded? Can anything be done towards implementing cost-saving measures without the capital request?

Don - Re capital request for additional PSF building maintenance personnel; Manger’s letter indicates a request for \$26,000 and the departmental request indicates a request for \$20,000 – which is correct? Do these include benefits as well as salary?

✓ Tom - Natural Resources – capital item for the storage building at Woodlawn Cemetery. How much was appropriated in FY99? What have the bids come in at? Is redesign a possibility to reduce the total cost? Are cemetery funds available? Is seems we should get this project completed in a cost-effective manner.

✓ Don, Frank & Bob - Police – I note that the one recommended capital request for dispatchers is the *last* priority (#15) on the Chief’s capital list. Indeed all of the non-personnel items could be funded for 2/3rds of the cost of the dispatchers. Please indicate why this is recommended by the Manager when it is the last of the Chief’s priorities? If these are to be civilian dispatchers to replace the firefighters who currently perform this function, will the firefighters be laid off? Why can’t we use either firefighter or others in